

Texas Department of Insurance, Division of Workers' Compensation

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

Requestor=s Name and Address: Twelve Oaks Medical Center P.O. Box 676855 Dallas TX 75267	M4-04-2179-01
Respondent's Name and Box #: MID-CENTURY INSURANCE CO	
Representative Box #14	

- 1. DWC-60
- 2. Position Statement
- 3. UB-92
- 4. EOB's
- 5. Operative Report

Position Summary: "...the amount of reimbursement deemed to be fair and reasonable...is at a minimum of 70% of billed charges. This is supported by a managed care contract with "Focus"

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

- 1. DWC-60
- 2. Position statement
- 3. EOB's

Position Summary: "... Carrier's rate of reimbursement in this case not only meets but exceeds the Act's criteria for payment in all respects..."

PART IV: SUMMARY OF DISPUTE AND FINDINGS Date(s) of Service CPT Code(s) or Description Part V Reference Additional Amount Due (if any) 10/25/02 Hospital Outpatient Services 1, 2, 3 \$00.00 TOTAL \$00.00

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

The request for medical dispute in this case was received on 10/15/03.

- 1. This dispute relates to hospital outpatient services provided in a hospital that are not covered under a Texas Department of Insurance, Division of Workers' Compensation ("TDI, DWC") fee guideline for this date of service. Therefore, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as described in 28 Texas Administrative Code §134.1 and Texas Labor Code §413.011(d) to achieve, in part, access to quality medical care and effective medical cost control. This case involves a factual dispute about what is a fair and reasonable reimbursement for the services provided.
- 2. The Requestor stated in their position that "...the amount of reimbursement deemed to be fair and reasonable...is at a minimum of 70% of billed charges. This is supported by a managed care contract with "Focus"..." No copy of the Focus contract was submitted with this dispute and therefore will not be considered during this review.
- 3. In this situation, the Requestor did not provide sufficient information on what a "fair and reasonable" reimbursement should be for these services. The Requestor purports that their total charges should be considered the amount for the "fair and reasonable" reimbursement. Hospital charges, however, are not a valid indicator of a hospital's costs at providing service nor at what is being paid by other payors. 22 *TexReg* 6269. In addition, Texas Labor Code section 413.011(d) provides, in part: "The [fee] guidelines may not provide for payment at a fee in excess of the fee... paid by that individual or by someone acting on that individual's behalf (emphasis added)." The Requestor has provided only charged amounts and not evidence of typical paid amount(s) for the disputed service(s).

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

28 Texas Administrative Code Sec. 134.1(d)
Other statutes, rules, and reference specified in this decision

PART VII: DIVISION FINDINGS AND DECISION

Based upon the lack of sufficient supporting documentation submitted by the Requestor and in accordance with the provisions of Texas Labor code, Sec. 413.031, the Division has determined that the Requestor is not entitled to additional reimbursement.

Decision by:

James Schneider

1/26/07

Authorized Signature

Typed Name

Date

PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW

Appeals of a medical dispute resolution, findings and decisions are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005]. An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable. The Division is not considered a party to the appeal.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.